

CENTRAL INTELLIGENCE AGENCY  
**INFORMATION REPORT**

25X1A

COUNTRY Hungary

SUBJECT The Ganz Cars and Machinery Plant/Location/Production/  
AVM Internal Security Branch/Procedures for Employment  
In Plant/Work Accidents/Sabotage/Wages/Personnel

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1. information on the Ganz plant dates through [REDACTED] 25X1X
2. "Location: Available at the CIA Library is a map of the Ganz plant. The following legend applies:
  1. The 'Szerszam Geposszesszerelo Muhely' (Assembling section) - new building ground floor.
  2. The 'Ontvemytisztito Muhely' (Grinding section) - old building, ground floor.
  3. The 'Gepjavito Muhely' (Repairs Workshop) - old building with one floor.
  4. The 'Portal' (Entrance) - Usher and check point for workers.
  5. The 'Altalanos Muhely' (Mixed Machinery section) - old building, ground floor, formerly the Cashiers' Offices.
  6. The 'Lakkozo Muhely' (Varnishing-shellac-section) - old building, ground floor.
  7. The 'Oktataszi Oszaly' (Professional School) - old building, having one floor.
  8. The 'Lakatos Altalancs Muhely' (Smiths /Blacksmith/ section) - old building , ground floor.
  9. The 'Acel Ontode Fele' (Steel section) - situated on the ground floor. On the first floor was located the Mess Canteen and rooms for political courses - old building.
  10. Same as 8.

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11. The 'Regi Kovacs Muhely' (the old Blacksmiths section) - old building, ground floor.

12. The 'Villanysszerelo Muhely; (Power plant transformers) - old building, ground floor.

13. The 'Ujj Kovacs Muhely' (Blacksmith section) - new building, machinery was not yet installed.

14. The 'Vagon Szerelde' (Railway car section) - old building.

15. The 'Olajraktar; (oil depot) - old building, ground floor.

16. The 'Ocska Vastelep' (depot of old iron) - located in the courtyard.

17. The 'Vastoro Torony Magas' (Cutting section - where large size iron is cut into small pieces) - old building, ground floor.

18. The 'Epiteszeti Raktar' (Depot of old building materials) - old building, ground floor.

19. The 'Gepjavito Muhely' (Repairs Workshop) - old building, ground floor.

20. Same as 14.

21. Same as 8.

22. Same as 14.

23. Same as 14.

24. The 'Volt Regi Iroda' (Old Offices) - old building, ground floor and one upper floor.

25. Same as 24.

26. The 'Szocialis Osztaly' (Social Offices) - old building, with one floor.

27. The 'MSZ MSZ' or 'Magyar Szabadsag Harcos Szovetseg' (Union of Hungarian Freedom Fighters); also the 'Ifjusagi Repulo Model Motor Garasz' (Model Planes Garage of Youth Organization); old building, ground floor.

28. The 'Ideiglenes Mukaslakes' (Workers' Hotel for those workers with families)  
The 'Munkas Szalo' (Workers' Hotel for single workers).  
On the first floor of same building are located offices of the MSZ MSZ organizations, and a munitions depot ('Fegyvertara') belonging to the same organization.

29. The 'Auto-Garasz' (Truck Pool) - old building, ground floor.

30. The 'Gyari Konyha' (Kitchen) - old building, ground floor.

31. The 'Regi Rajzolo Fentymasolo Nyomda' (The old Drawings Offices, as well as the Printing house of the plant's newspaper, the 'Ganz Ujsag'. Old building, having one floor.

32. The 'Feporta' (Main entrance) - ground floor building. On the first floor is located the Personnel Office.

33. The 'Gepjavito Muhely' (Repairs Workshop) located on the ground floor.  
On the first floor are situated the 'Iroda Kultur' (Culture House) and other offices. Old building.

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33-A Same as 33 which are connected. A gallery passes through the building.

34. The 'Iroda Epuletek' (Building for Offices) - two floors, newly constructed building connected with #35.

35. Newly constructed eleven-story building, where all Ganz plant's offices are located.

36. The 'Auto-Park' (Truck Pool) not just for the cars of the Ganz plant, also a taxi station is located here.

37. The 'Vasontode regi opulet (The old Iron Works) - ground floor building.

38. The 'Ipariskola' (Professional School) old building, ground floor.

39. The 'Rogy Bohany Gyer' (The old Tobacco plant) old building, ground floor.

40. The 'Ganz Kapcsolo' (Assembling section for electro-engines) building constructed in 1946.

41. Electric power plant transformer. From that point electric power is supplied to #12 which supplies electricity to all sections of the Ganz plant.

Note: Railway line leading into the NEP-Liget Park ends in the park itself. Completed railway cars make trial trips on that line.

A )  
 J ) 'Vasuti Porta' (Railway Gates)  
 D )  
 B )  
 C )  
 E )  
 F ) 'Porta' (Entrance & Exit doors)  
 G )  
 H )  
 I )  
 J )

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 25X1A Note: Location of plant is correct, but other buildings may not be exactly located due to source's inability to determine distances exactly.

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until the beginning of World War II plant was called Reszveny Tarsasag Ganz, and was the property of a limited share company. Nowadays, plant is State Property (Allami).

#### Production

3. "Plant manufactured the following:

a. 'Vasuti Kocsi' (Railway cars) which were:

1. 'Teher Vagon' (freight-cars)
2. 'Szemely Kocsi' (passenger cars)
3. 'Motores Tavfuto Szemely Kocsi' (New type of motor-passenger cars)

b. 'Szerszangepek' (Machinery for Industry):

1. 'Mato Gepak' & 'Eszterga Gepak' - lathes
2. 'Gyalu Gepak' (wood lathe)

c. 'Villanymotorok' (electric machinery - dynamo)

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d. 'Vastermek' (Iron & Steel products)  
e. 'Hajóalkatrészek' (spare parts for vessels)

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1. 'Propellerek' (propellers)

[REDACTED] the exact monthly production figures. [REDACTED] approximately 20 (twenty) passenger-cars were manufactured every month. These were the new type of passenger cars (para a3 above), which were manufactured and exported to the following countries:

Argentina - cars were white colored - number per month ?  
Brazil - cars were white colored - number per month ?  
Egypt - cars were half white & half-blue colored - number per month ?  
USSR - cars were green colored, some even white colored, length of each car was smaller than the others [sic] - number per month ?  
TOTAL PER MONTH: 20

These passenger railway cars were constructed with the Soviet type of railway gauge/sic, and each car was approximately 16 meters long. The diameter of each wheel was approximately 75-80 cms., [REDACTED] railway-car wheels. Regarding the electric machinery manufactured by the Ganz Plant, [REDACTED] parts were assembled by the Ganz Kapcsolo section (see No. 40, Legend).

## 4. Iron and Steel Casting in the #577 Steel Section (see No. 9, of Legend)

4. "There existed three furnaces:

- one 'Ivfényes' (steel casting) furnace, two tons. Heating was made with normal coal and with the aid of a 'Szenelektrod' (coal-electrod)
- another steel casting furnace, two tons. Heating was made with electric power. It was installed and made by the Ganz plant itself.
- the third steel casting furnace, also of electric type of heating, eight tons, was made and installed by the Ganz plant [REDACTED]. One week later, during early days [REDACTED] it was out of operation for a week for repairs. [REDACTED] Following an explosion (probably sabotage), it remained out of operation for a month.

5. "Casting of iron took place three times every 24 hours of work, more precisely at 0930, 1600 and 1800 hours. During the night, night shift of workers, prepared only the forms in which casting took place. Raw materials were carried by battery driven cars. There was an elevator raised up to the level of the door of the furnace and materials were emptied into the furnace itself. Doors of furnaces were opened by a special pushbutton. Liquid steel was poured into special prepared forms and left to cool, after having been treated with a special air-pressure hammer.

6. "This section manufactured:

- railway car wheels
- vessel propellers - five to six every month for the Hajó Gyar vessel plant.
- connecting rods ('Hajtókar')
- joints for crank shafts ('Csapagy')

Raw materials used were iron, copper, aluminum, steel, wolfram etc. All raw materials were imported goods, but I do not know from which country they came.

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Norms

7. "The manufacture of parts was governed by working norms as follows:

- a. 120 minutes for the casting of one railway-car wheel
- b. 160 minutes for the casting of a big-sized 'Hajtókar'
- c. 55 minutes for the casting of a big-sized 'Csapagy'

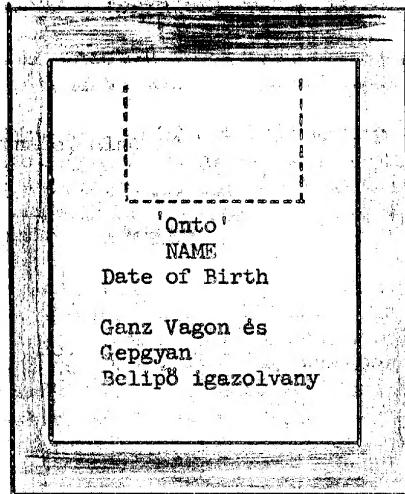
Working Hours & Shifts

8. "Work was performed in three, eight-hour shifts, that is from 0600-1400, 1400-2200, 2000-0600. Upon entering the plant, every worker had to exhibit his Entry Permit, to the Gyar Or, Plant's Policemen, at the check point. Upon leaving the plant, workers were searched in order to ensure that no spare parts were taken out of the factory. This was done because of the many thefts by workers.

Naturally, a search was made only in the event a worker carried heavy packages, or when his suit was rather swollen */sic/*. A larger search, naturally unexpected, was made two or three times yearly (including taking off shoes). It was a general habit by workers to steal small parts, iron, etc. and sell them on the black market at the Teleki Ter Market in order to exist on their low salaries.

AVH Internal Security Branch

9. "In addition to an unknown number of Gyar Or who were unarmed and wore civilian clothes and who checked only entry permits, there existed also an internal AVH Security Branch. These AVH wore civilian clothes and were armed. They were empowered to search, stop and arrest even workers within the plant, anyone they believed to be suspect. Their number is also unknown. The Belipő igazolvány (entry permit) of the Ganz Vagon és Gépgyán plant was made of white cardboard about the size of the Hungarian permit and had a border of red strips around it. Underneath the name of the profession of the holder was the surname and first name and date of birth of the holder. The entry permit also served as an identification card when moving within Budapest. The following is an example of an entry permit:

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10. Formalities Completed for Employment in Plant

the Ganz Plant by the MTH (Munkakör<sup>ő</sup> Tartalekok Hivatala) Labor Office of Budapest, located on Ranolder Ut. after having completed a two-year course of vocational training school at Vac. I handed to the Personnel Office the following documents:

- a. Anyakönyvi Kivonat - Birth certificate
- b. Munka Könyv - Labor Book
- c. Öneletrajz - Curriculum vitae, own hand writing
- d. Lakas Bejelentő - Residence Certificate
- e. Three pictures

The Personnel Office of the Ganz Plant was located on the first floor (No. 32, of legend). When hired I received the following documents:

- a. The 'Belepgő Igazolvány'-Entry Permit (see paragraph nine)
- b. The Clock-time sheet issued every month. Example:

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The foremen also calculated the workers' daily earnings. It was used for the calculation of monthly wages and norms and was also indirectly a time sheet.

Protection against work accidents

11. "This was rather poor. Every worker received every six months a blue colored typical workers' overall, free of charge. He was not compelled to turn in the old one to get the new one. Most of the workers, when getting the new one, sold it, and continued to work with the old one. Casters, received special leather shoes with wooden soles. Operators of furnaces, received in addition special glasses and rubber gloves.

Work-accidents:

12. "A dispensary was located in the Plant (see No. 31, legend), and was opened from 0830 thru 1130 hrs, and from 1230 thru 1700 hours daily. Accidents occurred rather frequently, and there were even months when there were up to 39 cases [REDACTED], but there were also other months without any accidents. In most of the cases these were burns, due largely to careless work. Work accidents were booked in a special Registry, and when work accident resulted as in the majority of cases from a worker's negligence, he did not get any compensation. In the event of a work accident, workers were immediately taken to the dispensary, or in more serious cases, to the Hospital. Medical assistance and compensation as well as treatments etc., including payment of salaries during non-working period resulting from illness, were covered by the State Social Insurance Agency, known by me only as OTI, which workers were all compelled to join, and for which each paid a four forint membership fee. In case an accident resulted which was not from carelessness and if the case was rather serious, a worker could get a few thousand forints as compensation.

Sabotage

13. "The greatest majority of accidents were caused by sabotage. For example, the newly constructed furnace [REDACTED] see paragraph 4c) was blown up in [REDACTED]. Prior to that date, even the first repairs (when furnace did not operate for a week) seemed also to have been sabotage. [REDACTED] approximately at 2400 hours, a terrific blast blew up the furnace. Many workers were injured, two very seriously. Fortunately, I did not work on the night shift, otherwise I would have been wounded. The AVH Internal Security Branch, despite its investigations, could not find the saboteurs. Workers said that some one had thrown dynamite in the raw materials which were thereafter thrown into the furnace for the casting of products.

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Wages:

14. [REDACTED] Party members earned more as a result of different work assignments where work was easier and norms less heavy, thus they could earn much more than the common worker. Assignment of work was made by the Chief Foreman of the Section, a Party member who, following superior orders, designated work in such a way that only Party members received less heavy work and completed norms with a good profit. Some of them, made 1700 forints per month. Work was compensated according to fulfillment of norms [REDACTED]. In the event the furnace was not operating and the workers were out of work, they received a minimum of 3.80 forints per hour. Normally, 8-10 forints were paid for the casting of a railway car wheel. Wages were paid twice monthly on the 15th and 25th of each month. Overtime existed only until [REDACTED] when it was abolished (actually it was said there would be no more pay for overtime), no worker put in any overtime hours. Deduction in wages was made for careless work. The OTI paid a sick worker full pay, only three days after he became ill.

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Work Discipline

15. "There existed in the Personnel Office a Work Regulation which I never read. I know that if a worker was five minutes late to work, he was fined the amount of one hour's work. For unjustified absence a woman was fined 20 Lek *[sic]* per day of absence. If one escaped from work that was AVH business.

Organizations within the Plant - Meetings

16. "a. Vasasok Szakszervezete (Metal Trade Unions)  
b. D.I.SZ. (Demokratikus Ifjusagi Szervezet) - Democratic Youth Union  
c. M. SZ. HSZ. (Magyar Szabadsag Harcos Szovetség) - Union of Hungarian Freedom Fighters

Production: conferences were held twice monthly by the Chief Foreman.

He spoke mainly about increase of production.

Workers Hotel

17. "(see No. 33 of legend for location) Every worker residing outside the city and who did not have lodging was entitled to live in the Workers' Hotel in the plant. For that every worker paid 40 forints. Workers (single) were lodged in big wards, 40-50 people to a room in double military iron-type beds. A NEP-Radio loudspeaker existed in every ward. While the plant supplied mattress, linen, pillow and pillow cases and blankets (linen changed every two weeks), workers had to procure their own towels. They received from the plant  $\frac{1}{2}$  km of soap per month (it was black, like chocolate). Since there was also a dressing room where workers could undress and even take a shower after working hours, the AVH Internal security detectives searched the small wardrobes possessed by workers.

Cultural Life

18. "The plant was entirely radio-controlled by loudspeakers (thru which orders were issued). Workers were also delighted with music and communiques of Hungarian stations programs. The plant edited the Ganz Ujsag paper for workers. There was also a sports club in the city, but I never visited it.

Personnel:

19. "The plant employed approximately 8000-9000 workers (estimated number of female workers cannot be stated) of whom 300 were Greeks, the latter were brought to Hungary by the Soviets at the end of World War II. These Greeks were not permitted to repatriate, and were lodged in the Old Tobacco Plant (see No. 39 of legend). Among the personnel I remember the following:

- a. (fmu) Szanto, Director of the Plant, aged 40, MDP Party member.
- b. (fmu) Malarovics, Chief of the Personnel Section, aged 50, MDP Party member.
- c. Istvan Barakonyi, Chief of 'Grinding and Steel Casting' section (No. 2 & 9, of legend) aged 40, married MDP Party member.
- d. Istvan Joo, Chief Foreman of the Steel Casting Section # 577 (where I worked), aged 35, married, fanatical MDP Party member. When Stalin died, Joo cried, but all other workers laughed at him.
- e. (fmu) Kovacs, 1st Secretary of the MDP Party Organization, in the Plant, aged 30.
- f. Gyula Deval, AVH Political Lieutenant, aged 40. He earned 3,600 forints per month.

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**Mess Canteen:**

20. "(see No. 26, of Legend). A mess canteen existed also, and workers could eat their meals there at noon only, for which they were charged 18 forints weekly (deducted from salary)."

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